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The Second Bank of the United States. By RALPH C. H. CATTERALL. (Chicago: The University of Chicago Press. 1903. Pp. xiv, 538.)

THIS volume, which appears in the "Decennial Publications of the University of Chicago," is an exceptionally fine example of original historical research on an extended scale, devoted to a limited subject of inquiry, undertaken by a single investigator. The author was unusually fortunate in laying his hands upon something really original in every sense of the term, and this good fortune accounts for much of his success. It is not every investigator who can gain access to unworked archives, and some of those who do enjoy this opportunity make a sorry mess of their privilege; Mr. Catterall, however, has treated his material admirably, so that there is form as well as matter.

The proportions of the book are generous and comprehensive; the administrations of the several presidents of the bank, Jones, Cheves, and Biddle, are taken up in order, and the distinctive features of each plainly characterized. The statistical material is so carefully tabulated that in Biddle's administration two stages of policy are clearly defined. Of the strictly historical part of the book, nearly one-half is given to the years 1816-1829, a period generally neglected. The appendixes contain many useful documents and memoranda; there is a bibliography of fourteen pages, and intelligible charts add to the usefulness of the work.

The second United States Bank has long held an enigmatical position in American history. It indeed has been held accountable by one writer or another for almost everything that happened between 1829 and 1837. Mr. Catterall has unveiled the mystery, and henceforth writing the history of the Jacksonian period ought to be an easier task. The author has used to good purpose not only the documentary material that has been available to all historians, but through the courtesy of Mr. Craig Biddle he has had the advantage of examining the papers of Nicholas Biddle, including his manuscript correspondence and his letter-books as president of the bank. As Biddle was a generous writer and attached to himself correspondents who also wrote freely, the treasure-trove thus gathered is of the riches sort.

In the second place, the author has thoroughly mastered the political arithmetic involved in the discussion of domestic and foreign exchange, discount, branch drafts, race-horse drafts, and bank statements. This comprehension of banking practice is visible throughout the work; its service is especially valuable in Chapters II. and III., which deal with the disastrous years 1817 to 1819; in Chapter VI., which treats of the branch drafts; and in Chapter XIII., which is devoted to the contraction and panic of 1833-1834.

There are two bank questions in particular which have puzzled American historians: the first is the origin of Jackson's antagonism to the United States Bank; the second concerns Clay's relationship to the struggle for a recharter. On each of these points the author has decided

opinions and presents new evidence. It is concluded that when Jackson entered upon the presidency he was definitely hostile to the bank ; the proof in regard to this is held incontrovertible (p. 183). This opinion, which, as is well known, is opposed to that of Parton, Von Holst, and Schouler, is based in part upon the documentary evidence accessible to all investigators, but is strengthened by certain letters found in the Biddle files. Mr. Catterall lays great stress upon an undated and unsigned letter attributed without question to Jackson, which reads as follows: "I think it right to be perfectly frank with you ; I do not think that the power of Congress extends to charter a bank ought of the ten-mile square. I do not dislike your bank any more than all banks, but ever since I read the history of the South Sea Bubble I have been afraid of banks." It is held that this deep-seated conviction of Jackson, antedating his inauguration, was the real cause of active opposition ; for this reason the Jeremiah Mason Portsmouth branch episode is not regarded as of serious importance, but simply as one of a series of cumulative attacks upon the bank.

The author lays hold of the root of the whole controversy by his keen appreciation of the attitude of democracy to the bank, the growth of hostility to monopoly, and the development of the spirit of "envy and hatred which the poor always feel for the rich." The significance of this growing sentiment of popular suspicion of money monopoly in the years 1825-1830 was not realized by Biddle, and for this reason he constantly misunderstood Jackson : he mistook certain kindly expressions as favorable to the recharter ; and then when Jackson found it necessary to declare himself positively upon the issue, he attributed Jackson's apparent change to political intrigue or to bad temper. Biddle indeed was thoroughly perplexed as to the attitude of the President towards the bank : "I have heard so much and such various opinions that I have ended by knowing nothing." Probably Jackson himself was not entirely clear as to his own mind when details were suggested, and the explanation of this again is to be found in the new uprising of industrial democracy. Corporate and money power must be kept in check, but no program of reform had been worked out.

As to the second question, the author does not think that Clay was responsible for dragging the bank into the political campaign of 1832. "Clay's influence was directed to this end, but it was only a minor element in the ultimate decision, Nicholas Biddle was the responsible actor" (p. 215). In 1829 and 1830 Biddle clearly understood that the bank must be kept out of politics if it wished to succeed in its efforts. For months he withstood all temptation ; "during all this time he never exhibited the faintest trace of wavering on account of the opinion of either Clay or Jackson partizans." It is McDuffie, chairman of the Committee of Ways and Means, a Southern Democrat, whose advice was followed, and in January, 1832, Biddle made up his mind that the time had come to introduce the application. Webster was notified, but not Clay. A month later Biddle even thought of appealing directly to the President,

writing to Ingersoll that he cared "nothing about the election." Then came Clayton's motion for another inquiry, and matters were delayed. Biddle was advised to withdraw the application for a time, pending the fall elections, but he felt that he had gone too far, and refused. The result was the veto; and up to this point Clay is given but little prominence. After the veto Biddle threw prudence to the winds. Contraction was deliberately adopted as a club to break Jackson. The Biddle letter-books are especially instructive for this period:

"My own course is decided . . . all the other Banks and all the merchants may break, but the Bank of the United States shall not break. I have asked Com. Biddle what is the least sail under which a man of war can lie to in a gale of wind, and he says a close reefed main topsail. So our squadron will all be put under close reefed main topsails and ride out the gale for the next two years. As for those who have no sea room and breakers under their lee, they must rely on Providence or Amos Kendall" (p. 331).

Letters of this style make interesting reading; only one more can be quoted: "This worthy President thinks that because he has scalped Indians and imprisoned Judges, he is to have his way with the Bank. He is mistaken" (p. 339).

The charges against the bank are thoroughly discussed. As a national bank, "the Bank never spent a dollar corruptly." The branches, however, engaged in intrigue; the bank lobbied in its own interests; it granted questionable indulgences to Congressmen, and spent altogether too much for printing.

The author makes an exhaustive review of the various services which the bank rendered to the commercial and fiscal economy of the country, and concludes that it was a serious error not to grant a recharter. It is somewhat difficult to reconcile this judgment with the long and detailed narrative of the mistakes which the bank made in its checkered career. For the moment the author appears to lose sight of the clue which guides him so skilfully in disentangling the contradictions of the struggle between 1829 and 1834, that is, the attitude of social democracy. The bank may have proved of service from a monetary and fiscal point of view, but does not the evidence spread on page after page show that the country, politically and socially, was not yet prepared for this service? The commercial machinery of a country must be in harmony with its spirit; otherwise even the best of machinery will go wrong, and this is the lesson which it seems to me is most impressively set forth in Mr. Catterall's painstaking analysis.

DAVIS R. DEWEY.

Personal Reminiscences of Prince Bismarck. By SIDNEY WHITMAN.
(New York: D. Appleton and Company. 1903. Pp. x, 346.)

No one could have done such a work better than Mr. Whitman, who knows his Germany at first hand, and who moreover approaches his